

## Testimony

**Presented By:** Debora Matthews, President/CEO  
The Children's Center of Wayne County  
**Presented To:** Senate Oversight Committee  
**Subject:** Support of Senate Bills 529 and 530

10/5/2017

Greetings to Senators MacGregor and others serving on the Senate Oversight Committee. I am **Debora Matthews, President and CEO of The Children's Center (TCC) of Wayne County** located in Midtown Detroit. I thank you for the opportunity to come before the Senate Oversight Committee today to share some of our concerns.

**The Children's Center** provides behavioral health and child welfare services to about 7,500 children and families each year, residing in Wayne County for behavioral health and throughout the SE Michigan tri-county area for child welfare. We serve children birth through age 21. The Children's Center is 88 years old and has been providing foster care and adoptions services since the early 1980's and independent living services since 2006.

I'd like to first express my continued appreciation to the legislators who have been instrumental in supporting private agency efforts to provide exemplary care supporting the safety and well-being to children in out of home placement in the State of Michigan. We could not do what we do without that support. We are very excited about the pending legislation: Senate Bills 529 and 530. I applaud the efforts of all involved in the work so far: the courts and the counties and other who have gotten us to where we are now. They have been onboard with the changes we feel are necessary to bring the Child Care Fund components into the 21<sup>st</sup> century.

I'd like to share some of the challenges we have faced as a private agency doing the work we do based on the limitations and complexities of the current Child Care Fund of 1934 under which we now operate. As you know, the private agency contracts are between our agencies and MDHHS. Although we totally understand the necessity for county participation in the payment process, it creates extreme hardship for us. Due to the complexity the current process creates, our agency has over the years had to wait as long as 6 years for payment for services we provided. We've had to endure numerous repeat billings, location of paperwork, re-signing of documentation, numerous phone calls to counties offices, and meetings on top of meetings to get services paid. An example: foster care garners about \$5,000,000 a year for TCC. Prior to the extreme recent efforts of the state DHHS department staff under Steve Yager and Jennifer Wrayno we were only able to collect about 60% of this revenue causing extreme hardship for our agency-having to write off 40% of what was rightly ours. At one point, my Board of Directors advised that we consider discontinuing this book of business given the billing and collections challenges. We were ready to retreat. But thanks to the extra efforts forged by Jen Wrayno's team, we were able to recoup a much greater %. But it took way too much effort on the State's part as well as ours. We consistently employ 2 extra staff with the sole responsibility of making sure the numerous billings and collections efforts can continue on a regular basis and that we never get 6 years behind again. The proposed revisions to the Child Care Fund will provide the much needed efficiencies saving the DHHS department and private agencies much time, effort and resources. TCC wants to use these resources to provide more for the well-being and support of foster children and youth, foster parents, as well as birth parents – and for prevention efforts to keep children with their families. That's where the resources should always be focused. Thank you for your advocacy and support of Senate Bills 529 and 530. We look forward to a more streamlined payment process and systems that more adequately support effective transition of children and youth in the child welfare system. Thank you!